



LEGISLATOR BRIEFING

January 2016

Mental Health Highlights and Issues

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I. Department of Mental Health Overview

The Department of Mental Health (DMH) annually serves more than 170,000 Missourians with mental illness, developmental disabilities, and substance use disorders. It is a safety net for the state's most vulnerable citizens and their families. DMH serves:

- **Adults with severe mental illness and children with severe emotional disorders**
- **People with developmental disabilities**
- **People with substance use and gambling disorders**

Community-based contract providers serve more than 95% of these individuals. Approximately half are Medicaid eligible.

MENTAL HEALTH COMMISSION

The seven-member Mental Health Commission appoints the DMH director with Senate confirmation. Commissioners serve as the principal policy advisers to the department. The Governor with Senate confirmation appoints commissioners' terms.

Commission member positions must include individuals who represent Missourians with mental illness, developmental disabilities, and substance use disorders, and who have expertise in general business matters (630.010 RSMO).

DMH MISSION (RSMO Chapter 630.020)

Prevention: Reduce the prevalence of mental disorders, developmental disabilities, and substance use disorders.

Treatment: Operate, fund, and license or certify modern treatment and habilitation programs provided in the least restrictive environment.

Improve Public Understanding: Improve public understanding and attitudes toward individuals with mental illness, developmental disabilities, and substance use disorders.

DMH DIVISIONS

- **Division of Behavioral Health (DBH)** – RSMO Ch. 631 and RSMO Ch. 632
(formerly the divisions of Alcohol and Drug Abuse and Comprehensive Psychiatric Services)
- **Division of Developmental Disabilities (DD)** – RSMO Ch. 633
- **Division of Administrative Services**

II. FY 2015 DMH Budget by Program Category

Budget Category	Amount	% Total	FTE
State Psychiatric Facilities	\$191 million	10.4%	3,723 FTE
MH Community Programs	\$425 million	23.2%	35 FTE
Medications	\$14 million	0.8%	0 FTE
DD Habilitation Centers	\$84 million	4.6%	2,493 FTE
DD Regional Offices/ Community Support	\$31 million	1.7%	691 FTE
DD Community Programs	\$892 million	48.5%	25 FTE
Community ADA Services	\$144 million	7.8%	51 FTE
Administration - Director's Office/Divisions	\$15 million	0.8%	227 FTE
Other (<i>Federal Grants, Mental Health Trust Fund, Overtime Pool, Federal Revolving Funds, etc.</i>)	\$41 million	2.2%	11 FTE
TOTALS	\$1.837 billion	100.0%	7,256 FTE

- DMH generates \$296 million per year in reimbursements from Medicaid, Medicare, disproportionate share (DSH) and other third party pay.
- Approximately 56% of all DMH GR funding is used as match for DMH services funded through the Medicaid program.
- The DMH Administration budget has been reduced by 8% over the past three years.

DMH CONTRACTED SERVICES

- DMH contracts with more than 1,300 provider agencies employing 30,000 people statewide.
- More than 95% of DMH's 170,000 consumers receive their services through local contracted community-based provider agencies.

STATE OPERATED SERVICES

BEHAVIORAL HEALTH

6 hospitals for adults
1 hospital for children

DEVELOPMENTAL DISABILITIES

4 state-operated habilitation institutions
2 community support agencies
1 crisis community support agency
5 regional offices, 6 satellite offices

State operated services include the Sex Offender Rehabilitation and Treatment Services (SORTS) program for sexually violent predators. The main SORTS program is at Southeast Missouri Mental Health Center in Farmington, with a satellite program at Fulton State Hospital.

III. Program Highlights and Critical Issues

This document will highlight five programs and six critical issues of DMH.

Program Highlights	Critical Issues
<ul style="list-style-type: none">• Preventing DD Wait List• Avoiding Crisis for MI/DD Individuals• Missouri's Strengthening Mental Health Initiative• Fulton State Hospital• Zero Suicide Initiative	<ul style="list-style-type: none">• 1115 Medicaid Waiver for Young Adults in Behavioral Health Crisis• Critical Clinical Staffing Shortages• Provider Rate Inequities• Uninsured Individuals Seeking Services• Employment• State Inpatient Facility Capacity

Program Highlight: Preventing the DD Wait List

The FY 2016 budget is the second year the Division of Developmental Disabilities (DD) received adequate funding to address all individuals on the wait list for in-home services, plus any new individuals who presented with a need for services. Increased funding and the success of the Partnership for Hope Waiver — a cooperative effort between the state, county developmental disability boards, and the federal Medicaid program — allowed the Division to serve 685 individuals in the Partnership for Hope Waiver, as well as 532 individuals in the Community Support Waiver in FY 2015. In FY 2016, the Division received increased funding of \$13.9 million to serve approximately 500 additional consumers in the Partnership for Hope and Community Support Waivers. In FY 2017, the Division is requesting \$13.9 million to serve an additional 500 individuals who present for services and who are Medicaid eligible.

Program Highlight: Avoiding Crisis for MI/DD Individuals

Every year individuals with both a mental illness and a developmental disability diagnosis are referred to DMH. These individuals do not fit into any historic community service delivery system funded through the Department. The Department is currently working with providers from both the Division of DBH and DD to identify how, within the limits of the current system and available funding, to ensure individuals receiving services from both Divisions are getting the most appropriate services, including:

- Development of relationships between DD case management entities and DBH community support entities;
- Enrolling more DBH providers into the DD system; and
- Accessing the established, successful DBH crisis system.

Additional funding will be necessary to provide the full continuum of care for individuals who are in need of services from both Divisions. The additional funding is needed to:

- Develop an intensive behavioral respite option for both adults and children that will give individuals in crisis an option other than the emergency room or jail;
- Create an intensive behavioral residential service within the current provider network for adults and children that are unsuccessful living in the community;
- Construct a single point for cross-training DBH and DD providers on best practices for treatment; and
- Coordinate services provided by the two Divisions to assure an individual is always accessing the most appropriate services and avoid funding less appropriate or least ideal settings.

Program Highlight: Missouri's Strengthening Mental Health Initiative

In 2013, Governor Nixon proposed and the General Assembly funded approximately \$10 million for the Strengthening Missouri's Mental Health Initiative:

- **Community Mental Health Liaisons (CMHLs)**
 - Statewide, 31 Liaisons were hired to work with local law enforcement and court personnel to connect people experiencing behavioral health crises to treatment and community services.
 - CMHLs have made more than 26,250 contacts with law enforcement and court officials and more than 14,725 referrals to professional care.

- CMHLs have provided more than 315 trainings on behavioral health topics with more than 4,100 officers trained. These trainings are provided at no cost to law enforcement and are Peace Officer Standards and Training (POST) certified.
- A summary report is available at
<http://dmh.mo.gov/opla/pubs/docs/MHSystemReport10-15FINAL.pdf>
- **Emergency Room Enhancement (ERE) Projects**
 - Projects are located in seven parts of the state — in 67 hospitals and clinics — for people in behavioral health crises.
 - More than 2,674 individuals have received services — 79% with psychiatric disorders and 34% with substance use disorders (SUD), and 28% with co-occurring MI/SUD disorders.
- **Mental Health First Aid (MHFA) Training**
 - Almost 4,000 persons have been trained to recognize the early warning signs of mental illness and provide basic assistance; participants included educators, ministers, business representatives, law enforcement, and emergency responders.
- **Crisis Intervention Team (CIT) Training**
 - More than 1,200 law enforcement personnel have been trained on how to approach and assist individuals who are experiencing a mental health crisis.
- **Family-to-Family Education**
 - More than 900 family members of loved ones with serious mental illness have received training and education provided by the Missouri Chapter of the National Alliance for Mental Illness.

Program Highlight: Fulton State Hospital (FSH)

The current Fulton State Hospital facility consists of:

- A total of 300 beds in the Biggs maximum security center and the Guhleman intermediate security center for individuals with severe mental illness and histories of violence;
- An additional Guhleman building has 100 beds for individuals committed by courts to the SORTS program; and
- The Hearnes Center Complex has 24 beds for individuals with intellectual disabilities and mental illness.

Biggs is old, inefficient, and rapidly deteriorating, with significant deferred maintenance. Two years ago the General Assembly, with bipartisan support, passed a bonding strategy to construct a new FSH building. The new hospital will be located on the 55-acre section of the

grounds which has been home to the mental health facility since 1851. The groundbreaking occurred in May 2015 and construction is ongoing. The facility should open in 2018.

The new hospital will provide a safer environment for patients and staff, and will help FSH comply with Centers for Medicare and Medicaid Services (CMS) certification standards for physical plant and safety. This certification is important because it enables the state to receive approximately \$50 million per year in federal reimbursements for indigent care. The new facility will also make available 91 beds for the SORTS program.

Follow the progress of the Fulton State Hospital rebuild by visiting <http://fultonrebuild.mo.gov/>

Program Highlight: Zero Suicide Initiative

The Show Me Zero Suicide Initiative core value is that suicide deaths are preventable. It is part of a national movement that is both a concept and a practice for systems of care. The concept makes suicide a never event, an aspirational goal through a high level of performance improvement within a healthcare system. The focus is to advance Zero Suicide practices in health and behavioral health care systems; challenging these systems to embrace Zero Suicide as an organizational culture. These practices begin with leadership's commitment to dramatically reduce suicide deaths by implementing evidence based practices, including standardized tools for suicide risk screening and assessment, pathways to care, collaborative safety planning, family engagement, and follow-up care.

Specifically, systems of care commit to:

- **Lead:** Create a leadership-driven, safety-oriented culture committed to dramatically reducing suicide among people under care. Include suicide attempt and loss survivors in leadership and planning roles.
- **Train:** Develop a competent, confident, and caring workforce.
- **Identify:** Ensure every person has a suicide care management plan, or pathway to care, that is both timely and adequate to meet his or her needs. Include collaborative safety planning and restriction of lethal means.
- **Treat:** Use effective, evidence-based treatments that directly target suicidality.
- **Transition:** Provide continuous contact and support, especially after acute care.
- **Improve:** Apply a data-driven quality improvement approach to inform system changes that will lead to improved patient outcomes and better care for those at risk.

Learn more about the Zero Suicide Initiative at

<http://dmh.mo.gov/about/diroffice/commission/docs/WhatisZeroSuicide.pdf>

Critical Issue: 1115 Medicaid Waiver for Young Adults in Behavioral Health Crisis

The Department is seeking a Medicaid waiver to provide early intervention, treatment and community support services to targeted Missourians ages 21-35. Specifically, these individuals have a mental illness or substance use disorder as identified through a behavioral health crisis entry point as outlined in Governor Nixon's Missouri's Strengthening Mental Health Initiative:

- Community Mental Health Liaison (CMHL) referrals from law enforcement officers and the judicial system, or
- Emergency Room Enhancement (ERE) referrals for diversion of individuals who present to one of the 67 hospital emergency rooms and health centers in seven regions across the state.

The focus of the waiver will be on providing early treatment and intervention to these young adults with a goal of employment and avoidance of long-term disability. The model is budget neutral.

Language for this demonstration was added to the DMH budget last year.

Critical Issue: Critical Clinical Staffing Shortages

Missouri state-operated facilities and contracted providers are experiencing extreme shortages in clinical staff such as psychiatrists, nurses, psychologists, social workers, counselors, and behavioral analysts. Behavioral difficulties of patients and poor working environments result in many employee injuries. Public sector salaries fall 30% or more below private health care industry salaries. Key concerns include:

- Mental health salary and retirement benefits offered for clinicians are no longer competitive, nor are recruitment and retention benefits, or college tuition payback strategies.
- Turnover/vacancy rates of DMH facilities are more than double the national and state averages for nurses and other professional staff.
- In July 2015, the average RN vacancy rate at DMH psychiatric facilities was 16% with three facilities at a rate of 20% or higher. The vacancy rate at Fulton State Hospital is approximately 43%.
- DMH is reviewing challenges regarding direct support professionals' recruitment and retention of quality staff.

Critical Issue: Provider Rate Inequities

Community-based services contracts comprise 80% of DMH's total budget yet serve more than 95% of DMH consumers. During the past 20 years, contracted community provider reimbursement rates lagged behind inflation due to the state's failure to annually adjust provider rates. Providers struggle to meet costs for food, fuel, insurance and proper staffing; a 1% COLA was awarded to all providers January 1, 2016.

- The following information shows how far contracted community providers have fallen below inflationary growth over the last 10 years:

➤ DBH Contracted Providers for substance use disorder services	25%
➤ DBH Contracted Providers for mental illness services	27%
➤ DD Contracted Providers	24%
- The community-based agencies face daunting challenges in recruitment and retention of qualified staff in clinical and direct care positions. It is difficult for community providers to compete with the Veterans Affairs, private health care organizations and state-operated services. Even in years where annual inflationary adjustments have been made, the costs of medicine, food, transportation and communication far exceeded the inflationary adjustments.

In Fiscal Year 2014, DD received \$23.4 million (\$8.9 million GR) to address provider rate issues. Funding was targeted to adjust contract providers with the lowest rates for individuals who have similar service needs. This has allowed the Division to move from a contracted rate per provider to a standardized rate for adults with developmental disabilities.

In FY 2015, \$29.2 million (\$10.3 million GR) was vetoed from the budget intended to continue rate increases for providers in the same manner. The Division continues to recognize the funding inequities of contracted providers and will continue to support equalizing the rates for individuals with developmental disabilities.

Critical Issue: Uninsured Individuals Seeking Services

It is very difficult for many Missourians to access behavioral health services, and it is particularly hard for those without insurance.

- Budget reductions in recent years have dramatically reduced the state funding available for uninsured individuals, resulting in DMH serving mostly people who are covered under Medicaid. While this stretches state dollars, it dramatically limits services to people who do not have health insurance or who have exhausted their insurance benefits. Many people who have substance use disorders or are in the early stages of serious mental illness often do not qualify for Medicaid:

- College students experiencing serious mental illness like schizophrenia, bipolar disorder, or major depression often do not have health insurance and are not Medicaid eligible.
- Of the people leaving the Department of Corrections (DOC), 83% have histories of severe substance use disorders, 16% have serious mental illnesses, and most are not Medicaid eligible; yet their conditions of parole often require that they obtain behavioral health treatment.
- Without appropriate access to services, many people experiencing a behavioral health crisis seek help at emergency rooms, get in trouble with the law, become dangerous to themselves or others, and experience repeated hospitalizations.
- If treatment is not accessible through DMH, then hospitals, jails, DOC, police departments, and physicians provide patchwork services that often are inappropriate, costly and leave the individual without necessary follow-up care, creating a dangerous and costly cycle.

Critical Issue: Employment

The Department of Mental Health is committed to assisting the individuals it serves to find and maintain integrated, competitive employment. Currently, the employment of individuals served by the Division of DD is 12.5%. The national average is 19%. We believe employment is a priority to achieve independence and improved quality of life.

In October 2008, DD initiated a statewide employment initiative resulting in an Employment First policy. Career planning and employment supports in integrated, competitive employment settings are priorities DD explores with all individuals who receive services. The strategic plan seeks to maximize resources, develop more effective employment systems and use data to guide program design and management. The expectation is that everyone of working age and those supporting them should consider work and vocational development as the first option.

In 2009, DBH in partnership with Vocational Rehabilitation, implemented Individualized Placement and Support (IPS), a supported employment, evidence-based practice for individuals with serious mental illness. Thirteen programs provide IPS with six new agencies being added this year. In 2015, 570 individuals received IPS with 54% successfully employed. Employment Specialists serve on ten adult Assertive Community Treatment Teams and three Assertive Community Treatment Teams for Transition Aged Youth (TAY). DBH is also currently developing an 1115 Waiver (see page 7) specifically to serve young adults with the inclusion of employment services.

In FY 2011, DD became a charter consortium member of Show Me Careers when Missouri was one of eight states selected by the U.S. Department of Health and Human Services to participate in a national transition systems change project. The purpose was to identify, develop, and promote policies and practices to improve post-high school, competitive employment outcomes for individuals with intellectual and developmental disabilities. Currently there are 1,402 individuals receiving DD Medicaid waiver services who are competitively

employed paying payroll taxes. There are an additional 1,992 individuals who are eligible for case management services (not receiving Medicaid-funded services) who are competitively employed and contributing to payroll deductions. Annually, through the Medicaid Home and Community Based Services waiver, the Division is spending \$7.1 million dollars supporting these goals and outcomes.

In October 2015, DD and DBH were selected as a recipient of the US Department of Labor's Office of Disability Employment Policy's Employment First State Leadership Mentoring Program through September 2016. By participating in this program, DD and DBH continue to enhance the systems and service structures in affirming employment rights and opportunities for individuals receiving supports and services.

Critical Issue: State Inpatient Facility Capacity

Division of Behavioral Health inpatient hospitals are continually at absolute capacity and must schedule admissions for individuals committed by the criminal courts who have been found incompetent to stand trial. The list of scheduled admissions has been increasing over the last several years and recently has been as high as 55 individuals waiting for a bed. DBH is exploring alternative options for individuals with behavioral health conditions who become involved in the criminal justice system.

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